

Blue Shield Medicare Advantage Part D

Blue Shield of California

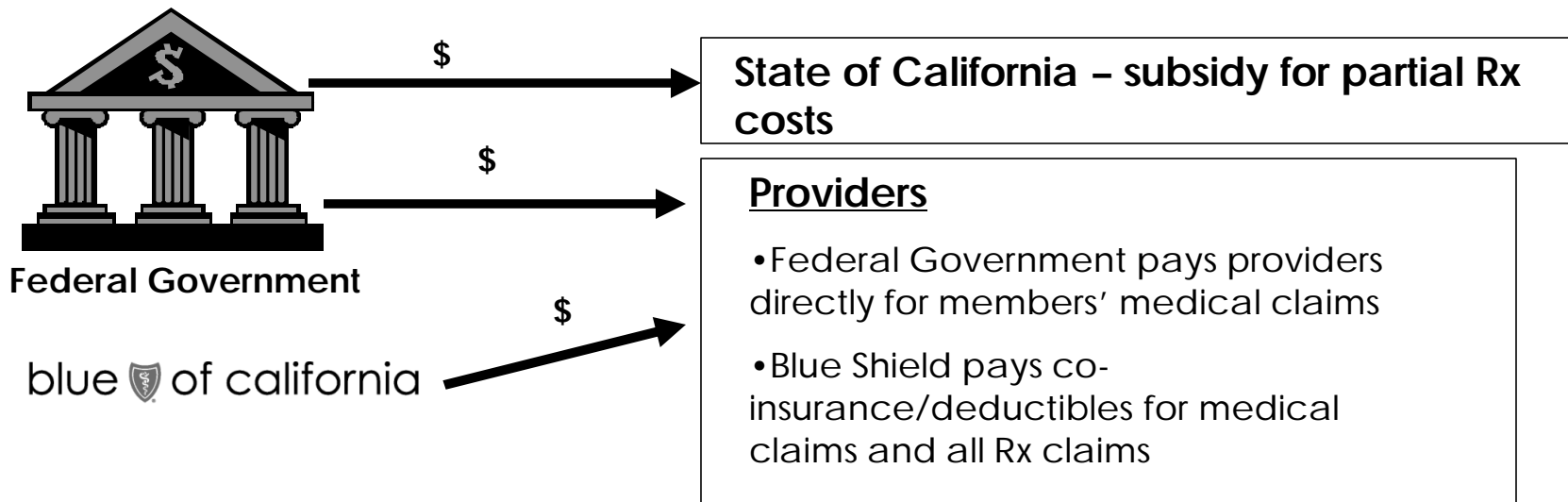
Health Benefits Committee

May 12, 2009



Group Medicare Advantage-Part D offers savings, simplification, and member benefits

Supplement to Medicare



Group Medicare Advantage/Part D





blue shield GMA-PD proposal overview

- consistent with proposal presented at September and December 2008 Health Benefit Committee meetings
- 9 county Southern California service area:
 - Fresno, Kern, Los Angeles, Madera, Orange, Riverside (partial), San Bernardino, San Luis Obispo, Ventura
- service area selected based on access to providers, level of potential member disruption, and current and projected financial savings sustainability
- GMA-PD benefits will be consistent with current Medicare Supplement plan benefits
- GMA-PD product will be only blue shield Medicare product available in service area but current Medicare Supplement plan will continue to be available in all other counties

Source: CalPERS Enrollment Data, 12/08



GMA-PD CalPERS 2010 service area



Fresno
Kern
Los Angeles
Madera
Orange
Riverside (partial)
San Bernardino
San Luis Obispo
Ventura

To be eligible for the GMA-PD product the Medicare beneficiary (retiree) must permanently reside in the plan service area.



benefits to CalPERS of a GMA-PD product

- **under a GMA-PD product, CalPERS Medicare members will have their care managed in the same manner as active employees**
 - care closely coordinated by their primary care physician (PCP)
 - pharmacy services managed by blue shield's pharmacy benefits program
 - More focused approach for members with chronic conditions
- **moving to a GMA-PD product will produce significant savings for CalPERS**
 - state and public agency employers will save premium costs by moving to the GMA-PD plan
 - premium savings are critical at a time of unprecedented financial pressure facing California's public sector employers
- **moving to a GMA-PD product will result in limited member disruption**
 - 90% of members in service area can continue to see current PCP

next steps

if GMA-PD is approved by CalPERS, blue shield will execute a focused member outreach campaign including:

- general outreach
 - ? local advertising
 - ? local educational events in coordination with regional CalPERS offices
 - ? custom collateral and CMS required materials
- outreach for disrupted members
 - ? exploring outreach by phone to personally educate members
 - ? identify alternative physicians who can meet these members' needs
- open enrollment efforts
 - ? provide GMA-PD specific training for health fair volunteers
 - ? provide GMA-PD specific collateral